



North Carolina. Plaintiffs challenge Defendants' conduct related to the fact that Plaintiffs' mortgage loan, like thousands of other mortgage loans during the height of this country's most recent housing bubble, was sold numerous times during the so-called "mortgage securitization" process. Plaintiffs are attempting to challenge Defendants' legal authority to conduct state foreclosure proceedings against Plaintiffs' residence. Indeed, as their relief, Plaintiffs seek an injunction preventing Defendants from selling Plaintiffs' residence through a mortgage foreclosure action. (Doc. No. 2 at 5).

The doctrine of res judicata or claim preclusion provides that a final judgment on the merits in a prior suit bars a second suit involving the same parties or their privies based upon the same cause of action. See Jones v. SEC, 115 F.3d 1173, 1178 (4th Cir. 1997); Keith v. Aldridge, 900 F.2d 736, 739 (4th Cir. 1990). Plaintiffs' action is barred by res judicata and claim preclusion, as they have already litigated and lost an almost identical action in this Court. In their previous action, Plaintiffs also challenged the authority of the defendant financial institutions to foreclose on their Charlotte residence. See Steele v. Capital One Home Loans, LLC, 3:13cv704-RJC-DSC (W.D.N.C.). Plaintiffs originally filed their previous action in Mecklenburg County Superior Court, and the defendants removed the action to this Court. On July 30, 2014, following a motion to dismiss by the defendants, this Court dismissed Plaintiffs' action with prejudice for failure to state a claim. See (Order, Doc. Nos. 51; 52). Plaintiffs appealed, and on March 10, 2015, the Fourth Circuit Court of Appeals affirmed this Court's dismissal in an unpublished opinion. See (Id., Doc. Nos. 55; 56). This action is, therefore, barred by res judicata and claim preclusion and will be dismissed.

**IT IS, THEREFORE, ORDERED that:**

1. Plaintiffs' Request to Proceed in Forma Pauperis, (Doc. No. 1), is **GRANTED** for

the limited purpose of this review.

2. Plaintiffs' Complaint is **DISMISSED** in its entirety for the reasons stated herein.

The Clerk is directed to close the case.

**IT IS SO ORDERED.**

Signed: December 17, 2015

A handwritten signature in cursive script, reading "Graham C. Mullen", written over a horizontal line.

Graham C. Mullen  
United States District Judge

